

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Periodic Reporting
(Proposal Nine)

Docket No. RM2020-1

CHAIRMAN'S INFORMATION REQUEST NO. 2

(Issued March 11, 2020)

To further assist the Commission in its evaluation of the Postal Service's proposed changes to analytical principles relating to periodic reports,¹ the Postal Service is requested to provide written responses to the following questions. The responses should be provided as soon as possible, but no later than March 18, 2020.

1. Please refer to the 2019 Facility Space Usage Study attached to the Petition.
 - a. On page 22, the Postal Service states "[t]here were some eFMS mail processing facility records that were found over the course of this project that were not included in the original sample. For example, there are a handful of air mail centers and air mail facilities (AMC/F) that still exist, but were not identified when the original sample was developed. The activities performed at these facilities would be the same as activities that might occur at other plants that are located in close proximity to an airport or are on airport property. Consequently, these facilities were added to the list of mail processing facilities after the fact and were included in the various strata based on the size of the facility."

¹ Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Nine), October 31, 2019 (Petition). The Postal Service filed a notice of filing of non-public materials relating to Proposal Nine. Notice of Filing of USPS-RM2020-1/1 and USPS-RM2020-1/NP1 and Application for Nonpublic Treatment, October 31, 2019.

- i. How many air mail centers and air mail facilities were not identified when the original sample was developed?
 - ii. Are air mail centers and air mail facilities functionally different than other processing facilities? If so, please explain.
 - iii. Aside from air mail centers and air mail facilities, were there other types of facilities excluded as well? If so, what types and how many of each type?
 - iv. Are the excluded facilities added to the list of mail processing facilities before or after the sample size selection and data collection?
 - v. How does their inclusion/exclusion effect the estimators?
 - vi. Please confirm that there are two different N_h 's, one without the AMC/F and one with the AMC/F. If not confirmed, please explain.
 - vii. Specifically, with the two different N , do the realizations of the estimators differ substantially? How about the sample size allocation?
- b. Please show the calculations for Neyman allocation for the mail processing sample design. Please also provide S_h 's used to calculate the sample size allocation. These would be the ones developed using the proxies (quantities of the four major equipment types).
 - c. Please confirm that the overall sample size for mail processing sample is calculated to produce CV 's of less than 5 percent for the DBCS and AFSM 100 proxies, and provide the explicit formula and calculation for sample size determination for the mail processing sample.
 - d. In the "FACILITY SPACE SUMMARY.xlsx, the workbook tab 'Sample Strata'" file, for strata 1-11 has different sizes for N_h and n_h versus Table 2 on page 11. The differing sizes for N_h 's can be explained by the units left out, such as the AMC/Fs and facility activation/deactivation. Please

confirm that this is the reason for the inconsistencies in the population counts. Please also explain why the sample size increased for several strata and by six overall.

By the Chairman.

Robert G. Taub